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United Nations Industrial Development Organization

Programme and Budget Committee

Resumed seventh session (continued)
Vienna, 23 August 1991

ANNOTATED PROVISIONAL AGENDA

Addendum

Annotations to the item on the agenda of
the resumed seventh session (continued)

In its conclusion 1991/15, the Programme and Budget Committee on 27 June 1991 decided to resume again its seventh session on 23 August 1991 to continue the consideration of item 10 of the agenda of that session.

Item 10. Programme and budgets, 1992-1993

In accordance with Article 14.1 and 14.2 of the Constitution, the Director-General shall prepare and submit to the Board through the Committee a draft programme of work for the following fiscal period, together with the corresponding estimates for those activities to be financed from the regular budget. The Director-General shall, at the same time, submit proposals and financial estimates for those activities to be financed from voluntary contributions to the Organization. The Committee shall consider the proposals of the Director-General and submit to the Board its recommendations on the proposed programme of work and corresponding estimates for the regular budget and the operational budget. Such recommendations of the Committee shall require a two-thirds majority of the members present and voting.

At its seventh session, the Board requested the Director-General to ensure that the prioritization of the thrust areas, for which the programme resources are proposed for the 1992-1993 budget, is in conformity with the priorities already approved for the medium-term plan, 1990-1995, in Conference resolution GC.3/Res.21 (decision IDB.7/Dec.14, para. (h)).

At its seventh session, in April 1991, the Committee had before it the proposals of the Director-General for the programme and budgets, 1992-1993, as contained in document PBC.7/10 and Corr.1. Additional information related to those proposals was provided in conference room papers PBC.7/CRP.6 and Corr.1, CRP.7, CRP.8, CRP.9 and CRP.11. On that occasion, the Committee, in its conclusion 1991/6, took note with concern of major uncertainties in the budgets, namely:

(i) Should the Industrial Development Board decide to recommend to the fourth session of the General Conference the reorganization of the staff structure, revised estimates would have to be submitted in time for the General Conference;

(ii) Once the recommendations of the consultants as to the future electronic data-processing (EDP) needs of the Organization were known, the corresponding revised estimates would have to be drawn up and submitted for approval to Member States;

(iii) The assumption of the Director-General that Australia would rejoin the Organization in time for the 1992-1993 biennium;

and concluded that it was unable at that stage, in the light of those uncertainties, to recommend to the Industrial Development Board the adoption of the budget contained in document PBC.7/10 and Corr.1. The Committee requested the Director-General to revise accordingly his budget proposals for the 1992-1993 biennium and to convene a resumed seventh session of the Programme and Budget Committee on 27 June 1991 with the aim of resolving uncertainties in the light of information that would then be available.

On 27 June, the Committee considered the revised proposals of the Director-General for the programme and budgets, 1992-1993 (PBC.7/10/Rev.1), an addendum thereto containing additional information concerning EDP requirements (PBC.7/10/Rev.1/Add.1), and a conference room paper containing the draft final report of the consultants on the strategic automation project

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(PBC.7/CRP.13 and Add.1), as well as a note by the Secretariat with a scale of assessments for the fiscal period 1992-1993 calculated on the basis of the current membership of the Organization (PBC.7/6/Add.1). In its conclusion 1991/15, the Committee decided that it was unable at that resumed session to recommend to the Industrial Development Board the adoption of the budget contained in documents PBC.7/10/Rev.1 and Add.1, and thus also decided to resume again its seventh session on 23 August 1991 for the purpose of recommending to the Board the programme and budgets, 1992-1993, taking into account the comments and views expressed during the session of 27 June.

Subsequently, the Board at its eighth session, in July 1991, requested the Director-General to prepare for submission to the resumed session of the Committee a revised version of the programme and budget proposal for 1992-1993 contained in document IDB.8/8/Rev.1, in the light of the comments made by Member States during the resumed seventh session of the Committee of 27 June and the eighth session of the Board (decision IDB.8/Dec.22).

Furthermore, in its decision IDB.8/Dec.35 concerning the computerization programme of UNIDO, the Board requested that, in conformity with financial regulations 3.4 and 4.3, and since the EDP project was to be regarded as a separate major object of expenditure, a revised version of the programme and budgets, 1992-1993, should contain a listing of resource requirements for the EDP project, and that all EDP non-staff costs should be identified as such in that listing, as well as being spread among different user departments. Resources required for that purpose until 1995 should also be indicated. It also requested that the EDP Project Liaison Committee make further efforts to identify the technically most suitable and cost effective EDP system and with that in view, to pursue an in-depth examination of existing proposals and observations. The Board further requested the Director-General to examine the results of those efforts and, in consultation with the EDP Project Liaison Committee, to negotiate further with IBM, and if appropriate, with other suitable computer firms so as to obtain a cost-effective EDP system fitted to the needs of UNIDO. The Director-General was also requested to report progress to a resumed eighth session of the Board on 23 August 1991, with the aim of its authorizing, on the advice of the Programme and Budget Committee, the Director-General to bring the negotiations to a satisfactory conclusion. Following the meeting of the Project Liaison Committee on 31 July 1991, the consultants submitted a revised version of appendix I to their draft final report on the strategic automation project (PBC.7/CRP.13 and Add.1), as well as additional appendices to that report, i.e. appendix VII, summarizing the discussions with the Working Group of Independent Experts and appendix VIII on volume information of the EDP system.

The Committee will thus have before it:

- Programme and budgets, 1992-1993. Revised proposals of the Director-General (PBC.7/10/Rev.2-IDB.8/8/Rev.2)

- Computerization programme of UNIDO. Progress report by the Director-General

- Computerization programme of UNIDO. Strategic automation project - Draft final report. Submitted by Touche Ross Management Consultants. Addendum (PBC.7/CRP.13/Add.2)